



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

May 1, 1996

*Replaced RC  
& surety 7/22/02  
and 8/8/02.*

TO: Board of Oil, Gas and Mining

THRU: James W. Carter, Director *[Signature]*

THRU: Lowell P. Braxton, Associate Director *LPB* and D. Wayne Hedberg, Permit Supervisor *DWH*

FROM: Tom Munson, Reclamation Specialist *tm*

RE: Request for Board Approval, Amount and Form of Replacement Reclamation Surety, Ash Grove Cement Company, Leamington Quarry, M/023/004, Juab County, Utah

The Division seeks Board approvals of the amount and form of replacement reclamation surety provided by Ash Grove Cement Company for the Leamington Quarry, located in Juab County, Utah. The form of surety is a surety bond, issued by St. Paul Fire and Marine Insurance Company for the amount of \$698,200.

Ash Grove Cement Company came before the Board one year ago for approval of a new form of surety. Now, one year later, the company has again obtained a new surety company. When the Division was advised a new surety company was going to be obtained, we prepared an updated surety estimate for the project as the old surety was approaching the time for the five-year review. The new surety has been escalated five years, to the year 2001.

Attached for your review are copies of the following documents:

1. Summary checklist
2. Executive summary
3. Location map
4. Reclamation surety estimate
5. Reclamation Contract (From MR-RC)
6. Surety bond (Attachment B - MR Form 5)

Thank you for your time and consideration of this request.

Attachments  
M023004.brd



**DOGM MINERALS PROGRAM**

Checklist for Board Approval  
of  
**FORM AND AMOUNT OF SURETY**

Prepared April 30, 1996

Company Name: Ash Grove Cement Company  
 Mine Name: Leamington Quarry  
 File No.: M/023/004

Items	Provided		Remarks
	Yes	No	
Executive Summary	X		
Location Map	X		
Reclamation Bond Estimate	X		
Signed Reclamation Contract	X		
Signed Power of Attorney/ Affidavit of Qualification	X		
Bond/Reclamation Surety	X		
Surety Sign Off (Other State/Federal Agencies)		X	N/A with Memorandum of Understanding
RDCC contacted			N/A - Replacement Surety

EXECUTIVE SUMMARY  
\*\*\*\*\*

MARTIN-MARRIETTA CEMENT  
WESTERN DIVISION

LEAMINGTON CEMENT PLANT  
ACT/023/004

Sections 32 & 33, Township 14S., Range 3W.  
Sections 3, 4 & 5, Township 15S., Range 3W.  
Juab County, Utah

DOGM RECEIVED  
2-25-80

MINING AND RECLAMATION:

Martin-Marrietta Cement, Western Division has committed to the following:

During Operations:

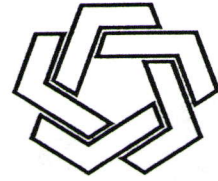
1. Mining will be conducted in a safe, orderly, and minerlike fashion and in such a manner as to minimize visual and environmental degradation.
2. Prior to the construction, available topsoil will be removed and stockpiled for redistribution on disturbed surface areas at the time of reclamation.
3. Mining will be open pit mining with cut benches and will disturb approximately 228 acres with support facilities.
4. The raw materials will be stockpiled at the site until required for use in the cement processing plant.
5. The process plant and mine operation should employ approximately 300 persons at their peak.

After Operations:

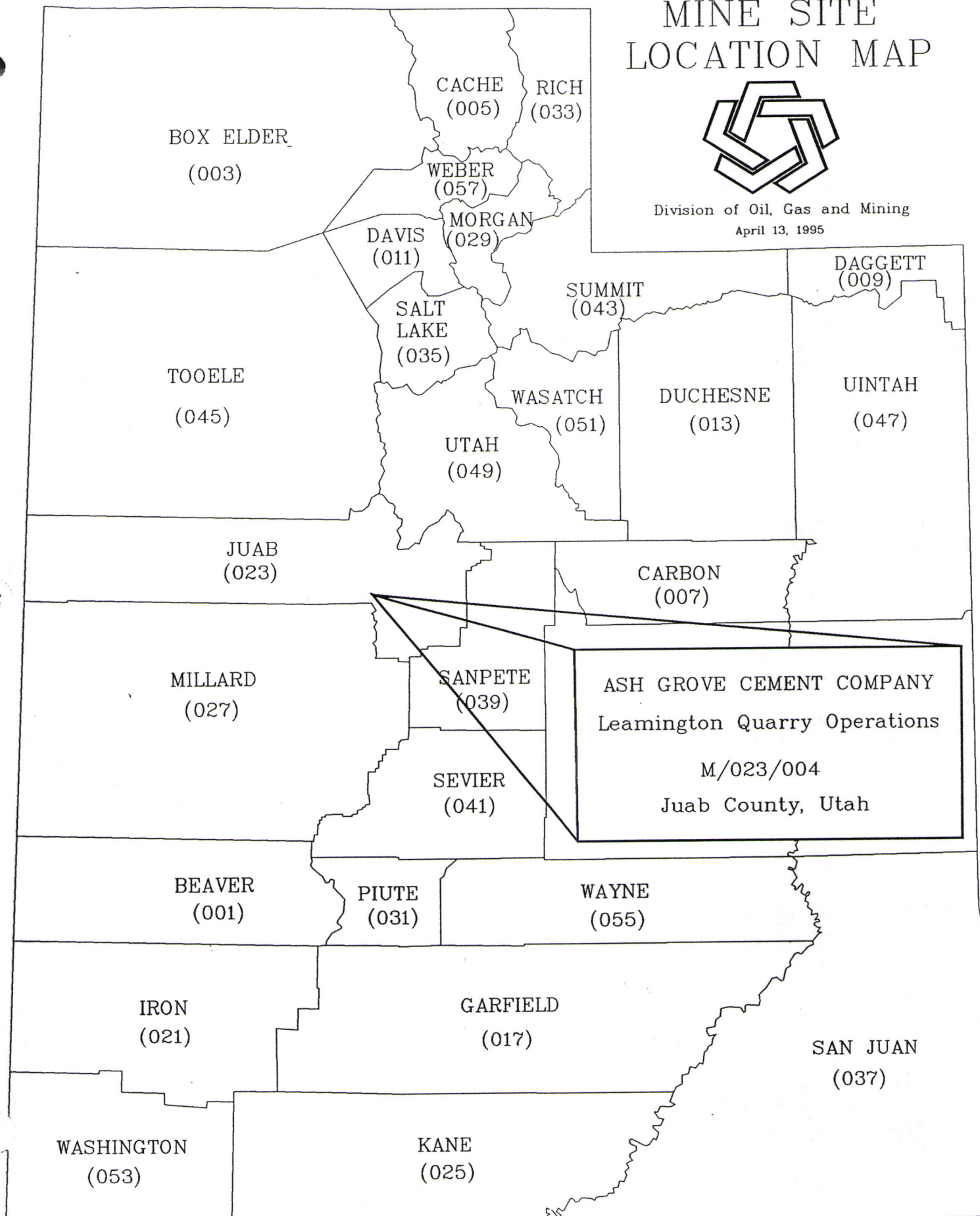
1. All extraneous debris, scrap metal and wood, and unuseable buildings will be removed from the site.
2. The mine quarries will be benched to a 45° slope and will be protected at the top by berms to prevent accidental entry.
3. The developmental wasterock stockpile will be recontoured to a stable slope and the surrounding area will be contoured to prevent water ponding.
4. The manufacturing area will be cleared and returned to a grazing condition.
5. Stockpiled topsoil will be respread over the disturbed surfaces to the extent possible and all areas will be scarified, broadcast seeded with a diverse seed mixture, and drag covered.
6. All disturbed ares will be monitored and reseeded if necessary.



# MINE SITE LOCATION MAP

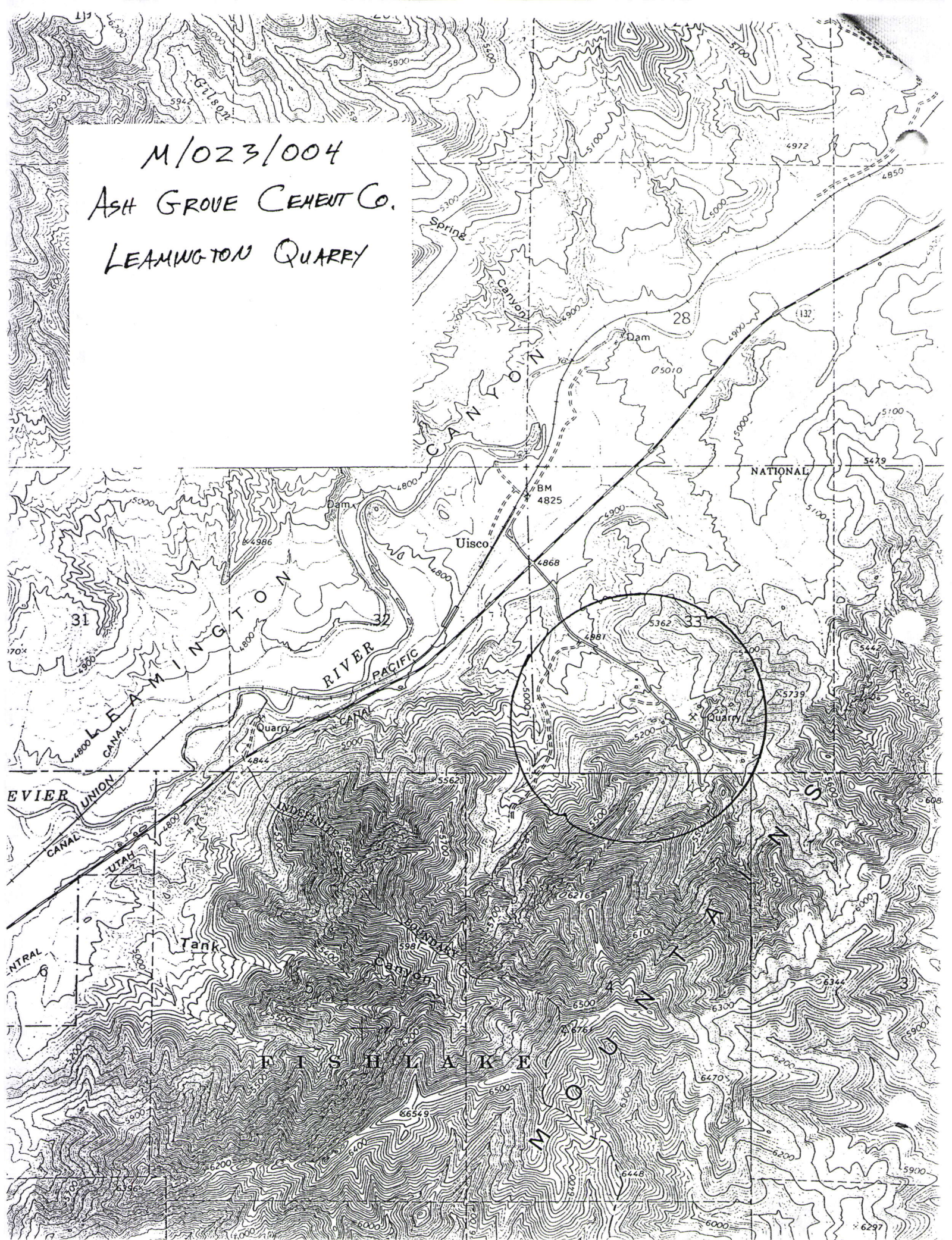


Division of Oil, Gas and Mining  
April 13, 1995





M/023/004  
ASH GROVE CEMENT CO.  
LEAMINGTON QUARRY





# SURETY ESTIMATE UPDATE

Ash Grove Cement Company

Leamington Quarry

M/023/004

Prepared by Utah Division of Oil, Gas & Mining

filename M23-04UP.WB2

Last Update

03/06/96

Juab County

## DESCRIPTION:

- Original reclamation surety estimate prepared by USFS in 1980; surety held b
- USFS estimate amount was \$386,000 for 273 acres of disturbance
- Details of USFS reclamation estimate are not contained in DOGM files
- Mine plan update & revision currently being prepared by operator
- This update adjusts the base amount to present dollars & escalates 5 yrs
- Escalation factors through 1994 are actual Means Historical Cost Indices
- Actual escalation factor for 1995 not yet available

-Total disturbed area =

**273 ACRES**

## CALCULATIONS

	YR	ESCAL FACTOR	BOND AMOUNT
$F = P(1 + i)^{**n}$	1980	0.0860	\$386,000
F = Future Sum	1981	0.0991	\$424,253
P = Present Sum	1982	0.0940	\$464,132
i = Escalation Factor	1983	0.0104	\$468,959
n = number of periods	1984	0.0092	\$473,274
	1985	0.0290	\$486,999
	1986	0.0210	\$497,226
	1987	0.0195	\$506,922
	1988	0.0181	\$516,097
	1989	0.0177	\$525,232
	1990	0.0077	\$529,276
	1991	0.0127	\$535,998
	1992	0.0221	\$547,843
	1993	0.0261	\$562,142
	1994	0.0321	\$580,187
	1995	0.0268	\$595,736
	1996	0.0268	\$611,702
Three Yr Average = 2.68%	1997	0.0268	\$628,095
Used to Project 5 Yrs	1998	0.0268	\$644,928
Into the Future	1999	0.0268	\$662,212
From the Year 1996	2000	0.0268	\$679,960
	2001	0.0268	\$698,182

Updated Surety Amount Rounded (2001-\$)

**\$698,200**

Average cost per acre =

**\$2,558**

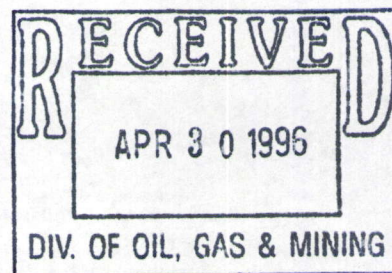
File Number M/023/004

Effective Date 5/23/96

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

*Replaced RC  
July 22, 2002.*

RECLAMATION CONTRACT  
---ooOoo---



For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	<u>M/023/004</u>
(Mineral Mined)	<u>Limestone</u>
"MINE LOCATION":	
(Name of Mine)	<u>LEAMINGTON QUARRY</u>
(Description)	<u> </u>
	<u> </u>
	<u> </u>
"DISTURBED AREA":	
(Disturbed Acres)	<u>273</u>
(Legal Description)	<u>(refer to Attachment "A")</u>
"OPERATOR":	
(Company or Name)	<u>ASH GROVE CEMENT COMPANY</u>
(Address)	<u>P.O. Box 51</u>
	<u>Nephi, UT 84648</u>
	<u> </u>
(Phone)	<u>(801) 857-2313</u>

**"OPERATOR'S REGISTERED AGENT":**

(Name)

C. T. Corporation System

(Address)

50 West Broadway

Salt Lake City, UT 84101

(Phone)

(801) 531-7090

**"OPERATOR'S OFFICER(S)":**

George M. Wells, President

John H. Ross III, V. President & General Counsel

William H. Siemering, Vice President (Western Region)

**"SURETY":**

(Form of Surety - Attachment B)

SEE ATTACHMENT B

**"SURETY COMPANY":**

(Name, Policy or Acct. No.)

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

400 JS 8015

**"SURETY AMOUNT":**

(Escalated Dollars)

\$698,200.00

**"ESCALATION YEAR":**

2001

**"STATE":**

State of Utah

**"DIVISION":**

Division of Oil, Gas and Mining

**"BOARD":**

Board of Oil, Gas and Mining

**ATTACHMENTS:**

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between ASH GROVE CEMENT COMPANY the "Operator" and the Utah State Board of Oil, Gas and Mining ("Board").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/023/004 which has been approved by the Utah State Division of Oil, Gas and Mining "Division" under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intention dated August 5, 1980, and the original Reclamation Plan dated August 5, 1980. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Board in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Board. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as

amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

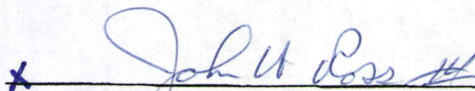
7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.



14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

Ash Grove Cement Company  
Operator

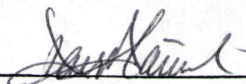
By John H. Ross III, Sr. Vice President & General Counsel  
Authorized Officer (Typed or Printed)

  
Authorized Officer's Signature

April 24, 1996  
Date

SO AGREED this 22nd day of May, 19 96.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY   
Dave D. Lauriski, Chairman  
Utah State Board of Oil, Gas and Mining



DIVISION OF OIL, GAS AND MINING:

By

James W. Carter, Director

Date

5/23/96

STATE OF

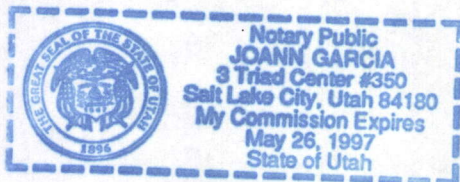
Utah

COUNTY OF

Salt Lake, Utah

) ss:

On the 23rd day of May, 19 96, personally appeared before me, who being duly sworn did say that he/she, the said James W. Carter is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.



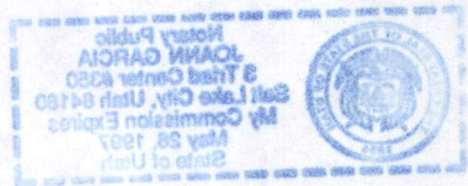
Joann Garcia  
Notary Public

Residing at:

Salt Lake, Utah

5/26/97  
My Commission Expires:







OPERATOR:

ASH GROVE CEMENT COMPANY

Operator Name

By John H. Ross III, Sr. Vice President & General Counsel

April 24, 1996

Corporate Officer - Position

Date

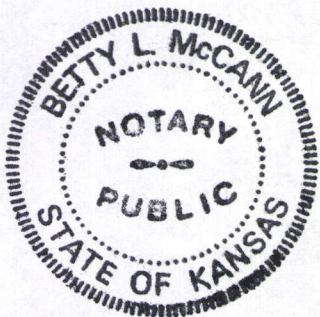
X John H. Ross III  
Signature

STATE OF KANSAS )

COUNTY OF JOHNSON )

SS:

On the 24th day of April, 1996, personally  
appeared before me John H. Ross III who  
being by me duly sworn did say that he/she, the said John H. Ross III  
is the Sr. Vice President & General Counsel of Ash Grove Cement Company  
and duly acknowledged that said instrument was signed on behalf of said company  
by authority of its bylaws or a resolution of its board of directors and said  
John H. Ross III duly acknowledged to me that said  
company executed the same.



Betty L. McCann  
Notary Public

Residing at: 10419 Barton, Overland Park, KS 66214

April 10, 1998

My Commission Expires:




SURETY:

ST. PAUL FIRE AND MARINE INSURANCE COMPANY  
Surety Company

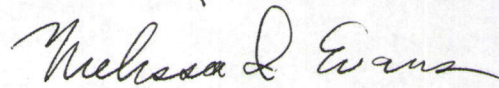
By ATTORNEY-IN-FACT  
Company Officer - Position

April 2, 1996  
Date

  
Signature Debra J. Scarborough

STATE OF KANSAS )  
COUNTY OF JOHNSON ) ss:

On the 2nd day of April, 19 96, personally  
appeared before me Debra J. Scarborough who  
being by me duly sworn did say that ~~he~~/she, the said Debra J. Scarborough  
is the Attorney-in-Fact of St. Paul Fire and Marine Insurance Company  
and duly acknowledged that said instrument was signed on behalf of said company  
by authority of its bylaws or a resolution of its board of directors and said  
Debra J. Scarborough duly acknowledged to me that said  
company executed the same.

  
Notary Public  
Residing at: 2512 W. 50th Place, Westwood, KS 66205

November 4, 1997  
My Commission Expires:

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Contract.

ATTACHMENT "A"

ASH GROVE CEMENT COMPANY

Operator

LEAMINGTON QUARRY

Mine Name

M/023/004

Permit Number

Juab

County, Utah

**The legal description of lands to be disturbed is:**

Parts of the South 1/2 of Section 33, Township 14 South, Range 3 West, and parts of Section 4 and 5, Township 15 South, Range 3 West, SLB -M, Juab County, Utah.

CERTIFIED  
COPY NO.

For verification of the authenticity of this Power of Attorney, you may telephone toll free 1-800-421-3880 and ask for the Power of Attorney Clerk. Please refer to the Certificate of Authority No. and the named individual(s).

F-12678

**GENERAL POWER OF ATTORNEY - CERTIFIED COPY**  
(Original on File at Home Office of Company. See Certification.)

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, a corporation organized and existing under the laws of the State of Minnesota, having its principal office in the City of St. Paul, Minnesota, does hereby constitute and appoint:

Kathy M. Loftus, Kevin D. Kalish of Kansas City, Missouri; Katherine D. Corder of Raymore, Missouri; Cynthia A. Whitehouse of Greenwood, Missouri; Debra J. Scarborough, Lee's Summit, Missouri, individually

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise,

**NOT TO EXCEED IN PENALTY THE SUM OF TWENTY-FIVE MILLION DOLLARS (\$25,000,000) EACH**

and the execution of all such instrument(s) in pursuance of these presents, shall be as binding upon said St. Paul Fire and Marine Insurance Company, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be certified to and may be revoked, pursuant to and by authority of Article V, Section 6(C), of the By-Laws adopted by the Shareholders of ST. PAUL FIRE AND MARINE INSURANCE COMPANY at a meeting called and held on the 28th day of April, 1978, of which the following is a true transcript of said Section 6 (C):

"The President or any Vice President, Assistant Vice President, Secretary or Service Center General Manager shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
- (2) To appoint special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-Laws of the Company, and
- (3) To remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 5th day of May, 1959, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN TESTIMONY WHEREOF, St. Paul Fire and Marine Insurance Company has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 30th day of November, A.D. 1990.

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

STATE OF NEW JERSEY } ss.  
County of Somerset

MICHAEL B. KEEGAN, Secretary

On this 23rd day of September, 1994, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he/she is the therein described and authorized officer of St. Paul Fire and Marine Insurance Company; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his/her signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the township of Bedminster, New Jersey, the day and year first above written.

LINDA SMETHERS, Notary Public, Middlesex, NJ  
My Commission Expires December 16, 1996**CERTIFICATION**I, the undersigned officer of St. Paul Fire and Marine Insurance Company, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the **ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY**, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this

APR 02 1996

\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

  
MICHAEL W. ANDERSON, Asst. Secretary

Only a certified copy of Power of Attorney bearing the Certificate of Authority No. printed in red on the upper right corner is binding. Photocopies, carbon copies or other reproductions of this document are invalid and not binding upon the Company.

**ANY INSTRUMENT ISSUED IN EXCESS OF THE PENALTY AMOUNT STATED ABOVE IS TOTALLY VOID AND WITHOUT ANY VALIDITY.**



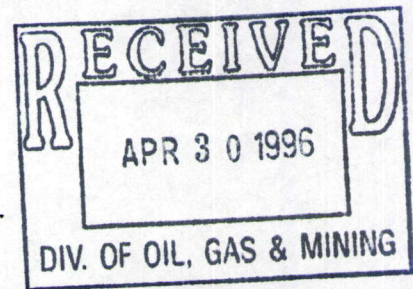
ATTACHMENT B

MR FORM 6  
Joint Agency Bonding Form

(April 8, 1993)

Bond Number \_\_\_\_\_  
Permit Number M/023/004  
Mine Name Leamington Quarry

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340



THE MINED LAND RECLAMATION ACT

SURETY BOND  
\*\*\*\*\*

The undersigned ASH GROVE CEMENT COMPANY as Principal,  
and ST. PAUL FIRE AND MARINE INSURANCE COMPANY as Surety, hereby jointly and severally  
bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of  
Utah, Division of Oil, Gas and Mining, and USDA - Forest Service  
in the penal sum of Six Hundred Ninety-Eight Thousand, Two dollars (\$ 698,200.00-----).  
Hundred and No/100

Principal has estimated in the Mining and Reclamation Plan approved by the  
Division of Oil, Gas and Mining on the 5th day of August, 19 80, that 273  
acres of land will be disturbed by this mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the  
Reclamation Contract of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has  
satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and  
Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation  
Act, and complied with the Rules and Regulations adopted in accordance therewith, then this  
obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the  
disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and  
regulations, then Principal may apply for a reduction in the amount of this Surety Bond.



In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by the Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

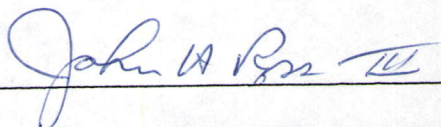
Date: April 30, 1996

ASH GROVE CEMENT COMPANY

Principal (Permittee)

By (Name typed): John H. Ross III

Title: Sr. Vice President & General Counsel

Signature: X 

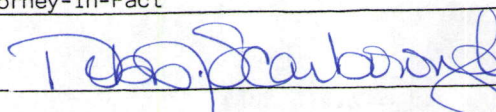
Date: April 30, 1996

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

Surety

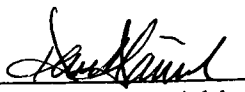
By: (Name Typed) Debra J. Scarborough

Title: Attorney-in-Fact

Signature: 



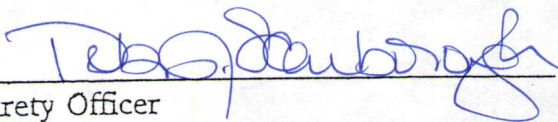
SO AGREED this 22nd day of May, 1996.

  
\_\_\_\_\_  
Dave D. Lauriski, Chairman  
Board of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety Company, such Power of Attorney must be filed with this bond. If the Principal is a corporation, the bond shall be executed by its duly authorized officer.

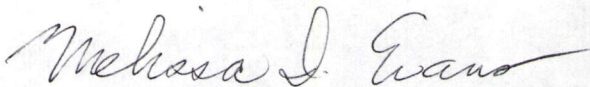
### AFFIDAVIT OF QUALIFICATION

Debra J. Scarborough, being first duly sworn, on oath deposes and says that ~~he~~/she is the (officer or agent) Agent of said Surety, and that ~~he~~/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

Signed:   
Surety Officer

Title: Attorney-in-Fact

Subscribed and sworn to before me this 30th day of April, 19 96.



Notary Public

Residing at: 2512 W. 50th Place, Westwood, KS 66205

My Commission Expires:

November 4, 19 97.



**CERTIFIED  
COPY NO.**

For verification of the authenticity of this Power of Attorney, you may telephone toll free 1-800-421-3880 and ask for the Power of Attorney Clerk. Please refer to the Certificate of Authority No. and the named individual(s).

F-12678

**GENERAL POWER OF ATTORNEY - CERTIFIED COPY**  
(Original on File at Home Office of Company. See Certification.)**KNOW ALL MEN BY THESE PRESENTS:** That **St. Paul Fire and Marine Insurance Company**, a corporation organized and existing under the laws of the State of Minnesota, having its principal office in the City of St. Paul, Minnesota, does hereby constitute and appoint:

Kathy M. Loftus, Kevin D. Kalish of Kansas City, Missouri; Katherine D. Corder of Raymore, Missouri; Cynthia A. Whitehouse of Greenwood, Missouri; Debra J. Scarborough, Lee's Summit, Missouri, individually

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise,

**NOT TO EXCEED IN PENALTY THE SUM OF TWENTY-FIVE MILLION DOLLARS (\$25,000,000) EACH**and the execution of all such instrument(s) in pursuance of these presents, shall be as binding upon said **St. Paul Fire and Marine Insurance Company**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.This Power of Attorney is executed, and may be certified to and may be revoked, pursuant to and by authority of Article V, -Section 6(C), of the By-Laws adopted by the Shareholders of **ST. PAUL FIRE AND MARINE INSURANCE COMPANY** at a meeting called and held on the 28th day of April, 1978, of which the following is a true transcript of said Section 6 (C):

"The President or any Vice President, Assistant Vice President, Secretary or Service Center General Manager shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
- (2) To appoint special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-Laws of the Company, and
- (3) To remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 5th day of May, 1959, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN TESTIMONY WHEREOF, **St. Paul Fire and Marine Insurance Company** has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 30th day of November, A.D. 1990.**ST. PAUL FIRE AND MARINE INSURANCE COMPANY**STATE OF NEW JERSEY } ss.  
County of Somerset

MICHAEL B. KEEGAN, Secretary

On this 23rd day of September, 19 94, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he/she is the therein described and authorized officer of **St. Paul Fire and Marine Insurance Company**; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his/her signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the township of Bedminster, New Jersey, the day and year first above written.



LINDA SMETHERS, Notary Public, Middlesex, NJ  
My Commission Expires December 16, 1996**CERTIFICATION**I, the undersigned officer of **St. Paul Fire and Marine Insurance Company**, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the **ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY**, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this

\_\_\_\_\_ day of APR 30 1996, 19 \_\_\_\_\_.

  
MICHAEL W. ANDERSON, Asst. Secretary

Only a certified copy of Power of Attorney bearing the Certificate of Authority No. printed in red on the upper right corner is binding. Photocopies, carbon copies or other reproductions of this document are invalid and not binding upon the Company.

**ANY INSTRUMENT ISSUED IN EXCESS OF THE PENALTY AMOUNT STATED ABOVE IS TOTALLY VOID AND WITHOUT ANY VALIDITY.**